

[Consultation Draft 0.0]

Monitoring REDD+ Governance: [Draft] Guidance Framework

Cover letter/Foreword

Deforestation and forest degradation contribute to an estimated 17% of global greenhouse gas emissions. To put this in context, this is the third largest source of global emissions after the energy [26%] and industrial [19%] sectors.

This fact, together with the desire of governments and peoples around the world to maintain the many ecosystem and societal benefits which forests offer, has been a key driver of international commitments made in the context of the UN Framework Convention on Climate Change to slow, halt and reverse forest cover and carbon loss.

The focus of international efforts to advance forest protection and climate mitigation is taking place within a framework known as REDD+ [referring to activities to reduce emissions from deforestation and forest degradation, as well as for the conservation of forest carbon stock, the sustainable management of forests and the enhancement of forest carbon stocks in developing countries]. REDD+ is an international mechanism which, once in place, will provide compensation to developing countries for reducing emissions from deforestation and forest degradation below an established reference level.

Reflecting the growing interest in the subject, 49 developing countries are in the process of developing national REDD+ strategies and plans through a number of multilateral and bilateral international initiatives, laying the groundwork for implementation of the REDD+ mechanism.^{1,2}

While many details remain to be fleshed out on how the REDD+ mechanism will operate, a major step forward was achieved in Cancun, Mexico, in December 2010. Here, agreement was reached by the world's governments on REDD+ policy approaches and incentives. The REDD+ agreement is part of a wider Decision that addresses *inter alia* adaptation, mitigation, finance, technology and capacity building, providing a framework for developing and implementing REDD+.³

¹ **UN-REDD** (Bolivia, Cambodia, Democratic Republic of the Congo (DRC), Indonesia, Panama, Papua New Guinea, Paraguay, the Philippines, Solomon Islands, Tanzania, Viet Nam, Zambia). **FCPF** (Argentina, Bolivia, Cambodia, Cameroon, Central African Republic, Chile, Colombia, Democratic Republic of Congo, Republic of Congo, Costa Rica, El Salvador, Equatorial Guinea, Ethiopia, Gabon, Ghana, Guatemala, Guyana, Honduras, Indonesia, Kenya, Lao P.D.R, Liberia, Madagascar, Mexico, Mozambique, Nepal, Nicaragua, Panama, Papua New Guinea, Paraguay, Peru, Suriname, Tanzania, Thailand, Uganda, Vanuatu, Viet Nam).

² *The UN-REDD Programme* (UN-REDD) is the United Nations collaborative initiative to assist developing countries prepare and implement national REDD+ strategies (www.un-redd.org/). *The Forest Carbon Partnership Facility* (FCPF) is a global partnership assisting tropical and subtropical forest countries to develop systems and policies for REDD+ and providing them with performance-based payments for emission reductions. (www.forestcarbonpartnership.org/).

³ Advance unedited version of decision X/CP.16: Outcome of the Work of the Ad Hoc Working Group on Long-Term Cooperative Action (http://unfccc.int/files/meetings/cop_16/application/pdf/cop16_lca.pdf)

The Cancun REDD+ agreement lays the foundation for new opportunities and demands in relation to national, regional and local governance in REDD+ countries. There is widespread agreement that good governance is essential to the fair and effective management of natural resources. Forest carbon, once a payment can be achieved for it through the REDD+ mechanism, will essentially become another natural resource income stream.

Building on the recognition that effective, transparent and accountable governance is central to the successful implementation of REDD+, this Guidance has been developed to help countries monitor REDD+ governance. It builds on lessons learnt from past and current experience of monitoring governance in the natural resources sector to address two key questions: *what* to monitor and *how* to monitor it.

This Guidance has been elaborated on the basis of inputs by Chatham House and WRI, as well as an expert consultation process under the auspices of UN-REDD. It has been developed in parallel with the initiative of the World Bank and the FAO on Indicators for Good Forest Governance. Both documents use the same core framework and terminology, providing complementary guidance to REDD+ countries interested in monitoring and assessing governance.

It is hoped that by discussing, using and adapting the framework outlined, all those involved in REDD+ activities can help monitor the governance of national REDD+ systems, thereby ensuring clarity, coordination and trust at the local, national and international levels.

(logos/signatures of UN-REDD and Chatham House)

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A Note on Using this Guidance Framework

This paper is a Guidance Framework on Monitoring REDD+ governance. It is offered for use by government officials and stakeholders interested in monitoring the governance of institutions and processes put in place to implement the REDD+ mechanism. Its objective is to provide flexible guidance on the main elements to consider when establishing a national monitoring system for REDD+ governance.

While this Guidance attempts to reflect accurately the international agreements that underpin the REDD+ mechanism, it attempts to do so in a language that is readily understandable to readers who may not have been involved in those agreements. In this way, it is hoped that a wide range of stakeholders will become actively engaged in the process of monitoring the governance of national REDD+ systems.

This Guidance informs and facilitates the use of existing governance assessment and monitoring tools by providing an overarching framework of “what to monitor” and “how to monitor it”. For more information on these complementary tools, the reader is invited to look at the initiatives detailed in **Attachment B**.

The REDD+ agreement

For reasons of brevity, the REDD+-related parts of the Cancun Decision are referred to as the ‘REDD+ agreement’. While the Guidance Framework has attempted to summarize accurately the core contents of the REDD+ agreement, the reader is encouraged to refer to the full text of **Draft Decision CP.16** [*Outcome of the work of the Ad Hoc Working Group on long-term Cooperative Action under the Convention*], and in particular to **Section C** [*Policy approaches and incentives on issues relating to reducing emissions from deforestation and forest degradation in developing countries; and the role of conservation, sustainable management of forests and enhancement of forest carbon stocks in developing countries*] and to **Annex I** [*Guidance and safeguards for policy approaches and positive incentives on issues relating to reducing emissions from deforestation and forest degradation in developing countries; and the role of conservation, sustainable management of forests and enhancement of forest carbon stocks in developing countries*]. The full text of these can be found in **Attachment A**.

1. Introduction

1.1 In the context of developing an internationally agreed response to the challenge of preventing dangerous climate change, signatory countries of the UN Framework Convention on Climate Change have committed, in the Cancun Decision, to collectively “*aim to slow, halt and reverse forest cover and carbon loss*”, according to their national circumstances.⁴

1.2 The Cancun Decision made a significant step towards a specification of REDD+. For REDD+ countries and other actors involved in preparation activities, there is now clearer guidance on the activities, principles and safeguards underlying REDD+. The REDD+ agreement [see box above] specifically includes:

- *Mitigation activities*: The agreement recognizes five REDD+ activities, “(a) Reducing emissions from deforestation; (b) Reducing emissions from forest degradation; (c) Conservation of forest carbon stocks; (d) Sustainable management of forest; (e) Enhancement of forest carbon stocks”. [para 70]⁵
- *Principles*: Additional guidance indicates that REDD+ activities should follow certain principles such as being country-driven and results-based; being consistent with development goals, environmental integrity and adaptation needs; being supported by adequate financial and technological support; and promoting the sustainable management of forest. [Annex 1.1]
- *Phases*: The agreement outlines a phased approach to the implementation of the REDD+ mechanism, from planning, preparation and capacity-building (phase 1, also called “readiness phase”) and policy implementation (phase 2), to results-based actions to reduce emissions (phase 3). [para 73]
- *Safeguards*: The agreement lists seven safeguards to be promoted and supported while undertaking REDD+ activities. The safeguards concern issues such as forest governance, stakeholder participation, the knowledge and rights of Indigenous Peoples and local communities, biological diversity, ecosystem services, the risk of reversals and the risk of displacement of emissions. [Annex 1.2] In addition, countries are requested to develop “a system for providing information on how safeguards [...] are being addressed and respected”. [para 71]

1.3 The REDD+ agreement gives rise to new and in many ways unprecedented risks and opportunities in relation to governance. Lack of state capacity to create consistent and enabling policy environments, be accountable to relevant stakeholders and enforce the rule of law – all key elements of governance – is a major issue in many REDD+ countries. Once in place, the REDD+ mechanism will represent a significant challenge for countries where institutions are weak and

⁴ See Advance unedited version of decision X/CP.16, *supra* note 3, at pg 10.

⁵ References are to the relevant paragraph numbers in the REDD+ agreement (Advance unedited version of decision X/CP.16). For ease of reading, specific references to official text have been reduced to the minimum.

corruption is widespread. Failing to address these governance issues may exacerbate conflict over the use of natural resources and create perverse effects for people and ecosystems.

1.4 At the same time, the REDD+ mechanism also creates new incentives and stronger support for tackling governance and corruption issues. Good governance is not only necessary to avoid adverse impacts of REDD+ activities, it is also key to achieve a successful mitigation outcome. Developing equitable national REDD+ systems providing incentives based on genuine results, and ensuring that emissions reductions are permanent and not simply displaced, will require accountable, effective and transparent governance. As such, governance monitoring will play an essential part in to the development and improvement of national REDD+ strategies.

1.5 The importance of governance for implementing REDD+ has been recognised in the REDD+ agreement. It led to the adoption of seven safeguards to be addressed and respected when undertaking mitigation actions. One of these safeguards explicitly refers to “transparent and effective national forest governance structures”, while the others are either directly or indirectly delivered by good governance. As mentioned above, countries are requested to report on the implementation of safeguards and governance monitoring will be a central element to the fulfilment of this international requirement.

1.6 There are several additional reasons for which a country might want to monitor REDD+ governance:

- Given the complexity of the measurement, reporting and verification (MRV) of carbon, it may be difficult to assess the results of REDD+ activities solely based on emissions reductions, particularly in the short term. Governance monitoring can provide a proxy for evaluating performance during the readiness and implementation phases (phases 1 and 2).
- Many developing countries will need financial support to develop and implement their national REDD+ strategies and plans. Demonstrating results to donor countries or initiatives may require to monitor and report on issues other than emissions reductions, such as the effective implementation of activities and the appropriate use of financing.
- Domestic decision-makers will need a broad array of data at their disposal to assess whether they are on course to achieving their national sustainable development objectives. In particular, governance monitoring will help identify country-specific potential for additional social and political outcomes from REDD+ investment, activities and income streams.

1.7 This document provides guidance on two core questions relevant for designing a system for monitoring REDD+ governance: *what* to monitor and *how* to monitor it.

Why monitor REDD+ governance?

To support equitable systems of genuinely performance-based payments;

To address the fundamental challenges of reversals and displacement;

To assess the results of REDD+ activities (particularly in phases 1 and 2);

To facilitate the improvement of national REDD+ strategies;

To demonstrate the implementation of all safeguards and fulfil international reporting requirements;

To ensure meaningful accountability to donors;

To guarantee progress towards national development goals.

Defining good REDD+ governance

Good REDD+ governance can be defined as “capable institutions which are accountable to relevant stakeholders and operating according to relevant national and international law”. It refers both to the institutional preconditions necessary to achieve emission reductions from REDD+ activities and to the oversight of national REDD+ systems (including carbon accounting, respect of safeguards, financial accountability, etc.).

2. What to monitor

2.1 Based on the REDD+ agreement, it is possible to establish that the scope of REDD+ governance includes both the institutional preconditions necessary to achieve emission reductions from REDD+ activities and the oversight of national REDD+ systems, i.e. the institutions and processes that a country has or puts in place to implement REDD+ (including carbon accounting, respect of safeguards, financial accountability, etc.).

2.2 Drawing on experiences of defining national governance and forest governance, as well as standards beginning to be elaborated in multilateral institutions, this Guidance defines good REDD+ governance as: “capable institutions which are accountable to relevant stakeholders and operating according to relevant national and international law”.⁶

⁶ The analysis used to define REDD+ governance and develop the pillars and components included in Table 1, is outlined in: Jade Saunders and Rosalind Reeve, *Monitoring Governance for Implementation of REDD+*, Background Paper 1, Monitoring Governance Safeguards in REDD+ Expert Workshop (24th – 25th May 2010), Chatham House, London, and Crystal Davis, *Governance in REDD+: Taking stock of governance issues raised in readiness proposals submitted to the FCPF and the UN-REDD Programme*, Background Paper 2, Monitoring Governance Safeguards in REDD+ Expert Workshop (24th – 25th May 2010), Chatham House, London. Both papers can be found at http://www.un-redd.org/Events/Chatham_House_Workshop/tabid/4522/language/en-US/Default.aspx

2.3 This definition can be broken down into the three pillars of REDD+ governance:

- **Policy, legal, institutional and regulatory frameworks:** Are they are clear and coherent? In other words, are the essential frameworks in place that would enable the country to take and implement the necessary decisions?
- **Decision-making and institutions:** Are decision-making processes and REDD+ institutions transparent and accountable? A key characteristic of good governance is decision-making where there is clarity about: what the policy goals are; how the decisions are taken, communicated and implemented; and how comprehensively and effectively these address national commitments and objectives and apply relevant principles.
- **Implementation, enforcement and compliance:** Are mechanisms in place to encourage and ensure effective and consistent implementation and enforcement of policy and legislation, and ensure compliance with the provisions?

2.4 Table 1 has been developed to illustrate what the three pillars encompass and how they relate to the seven safeguards mentioned in the REDD+ agreement. The first column shows the three pillars, i.e. the fundamentals of good REDD+ governance; the second column identifies the safeguards relevant to each of the pillars; and the third column lists the essential components of each pillars.

Table 1. Pillars and components of good REDD+ governance

Pillars	Relevant safeguards [Cancun CP.16 Annex 1.2]	Components
Clear and coherent policy, legal, institutional and regulatory frameworks	<p>Actions complement or are consistent with national forest programmes and international conventions and agreements [a]</p> <p>Respect for the rights of indigenous peoples and local communities, taking into account relevant international obligations, national laws [c]</p> <p>Actions are consistent with the conservation of natural forests and biological diversity, and enhance other social and environmental benefits [e]</p> <p>Actions to address the risks of reversals [f]</p> <p>Actions to reduce displacement of</p>	<p>Does the country have:</p> <p>Forest and land use policies, laws and regulations that are clear and coherent?</p> <p>A legal framework to support and protect land tenure/carbon ownership and use rights?</p> <p>REDD+ policies that are consistent with broader development policies?</p> <p>An institutional framework with clear mandates across different levels of government [e.g. national, regional, local]?</p> <p>National legislation that incorporates international commitments?</p>

	emissions [g]	
Transparent and accountable decision-making and institutions	<p>Transparent and effective national forest governance structures, taking into account national legislation [b]</p> <p>Full and effective participation of relevant stakeholders, in particular indigenous peoples and local communities [d]</p>	<p>Does the country have:</p> <p>Stakeholder participation in REDD+ design and implementation, with special emphasis on vulnerable groups?</p> <p>Provisions to ensure the transparency and accountability of agencies responsible for implementation and enforcement?</p> <p>Conflict resolution and grievance mechanisms?</p> <p>Arrangements for transparency and accountability [including reconciliation] of REDD+ payments and revenues?</p> <p>Monitoring and measurement, reporting and verification (MRV) processes that are transparent and participatory, including accessibility of information?</p> <p>An information management approach that encourages knowledge appropriation among different stakeholders?</p>
Effective implementation, enforcement and compliance	<p>Transparent and effective national forest governance structures, taking into account national legislation [b]</p> <p>Actions to address the risks of reversals [f]</p> <p>Actions to reduce displacement of emissions [g]</p>	<p>Does the country have:</p> <p>Mechanisms for ensuring the cooperative enforcement of laws and regulations relevant to REDD+?</p> <p>An effective judicial system, including means to ensure its integrity?</p> <p>Provisions to ensure the implementation of, and compliance with, relevant international commitments/obligations</p> <p>Measures to fight against and prevent corruption?</p>

2.5 The pillars and components of REDD+ governance can be seen as a starting point in the design of national monitoring systems, in the sense that they determine “what to monitor”. Ensuring

that a country has all the institutional arrangements and provisions mentioned in [Table 1](#) will require the use of practical tools for domestic assessment (see [Attachment B](#)).

3. [How to Monitor?](#)

3.1 The next question to consider is “how to monitor” the pillars and components of REDD+ governance. The REDD+ agreement does not provide much details on how monitoring should be conducted, but it initiates a process whereby guidance is to be developed on a system for providing information on how the safeguards are addressed and respected. It also recognizes that the system for monitoring REDD+ mitigation activities must be *‘robust and transparent’* [para 71 (c)].

3.2 There are many initiatives to draw from for the conduct of REDD+ governance monitoring. A detailed list of relevant guidelines, methodologies, as well as assessment and monitoring tools, is provided in [Attachment B](#). Some of these initiatives and tools have been elaborated within international or national legal frameworks, while others have been developed by NGOs for specific purposes (e.g. to enhance transparency).

3.3 Past and current experience indicate that monitoring requires (1) a national monitoring system, i.e. an institutional structure for the conduct of monitoring activities and (2) a set of indicators, i.e. measurable data on which to base an assessment. Both elements must be specifically designed and adapted to the individual circumstances of a country.

3.4 This Guidance concentrates on the first of these elements. i.e. the establishment of national monitoring systems for REDD+ governance. As noted, however, it has been elaborated conjointly with the WB / FAO initiative on indicators for good forest governance, which provides guidance on how to develop indicators tailored to the specific needs of a country. Both documents use a common framework and provide complementary guidance for monitoring REDD+ governance.

Operational considerations for monitoring systems

3.5 The governance monitoring initiatives and tools listed in [Attachment B](#) offer a wide range of practical lessons for the establishment of effective and credible national monitoring systems. These include lessons for defining parameters, identifying appropriate data, selecting appropriate tools and developing institutional arrangements⁷.

3.6 [Table 2](#) outlines operational considerations derived from these practical lessons for the development of monitoring systems adapted to REDD+ governance. The operational considerations have been grouped under three principles:

⁷ For the full description of the “lessons”, please refer to “Section 4: Monitoring Governance for REDD+: Lessons from existing initiatives and country cases” in Jade Saunders and Rosalind Reeve, *‘Monitoring Governance for Implementation of REDD+’*, Background Paper 1, Monitoring Governance Safeguards in REDD+ Expert Workshop (24th – 25th May 2010), Chatham House, London.

- **Transparency:** Operational considerations to monitor the transparency of REDD+ governance;
- **Appropriate accountability:** Operational considerations to monitor the appropriate accountability of REDD+ governance;
- **Effectiveness:** Operational considerations to monitor the effectiveness of REDD+ governance, including cost-effectiveness.

Table 2: Operational considerations for REDD+ governance monitoring systems

Principle	Operational considerations	Drawn from [see List of Relevant Initiatives at the end]
Transparency	<p>In the context of REDD+, operational considerations to enable the monitoring of transparency include:</p> <ul style="list-style-type: none"> • Clarify and publishing relevant laws and policies, including tenure and land/forest use rights • Clarify and publish institutional roles and responsibilities • Include field-based element of monitoring to reconcile policy and practice • Report publicly and in a timely manner • Establish benchmarks against which to demonstrate progress/change • Establish robust financial accounting for REDD+ financial flows, with full reconciliation and stakeholder oversight • Timely access to, and active dissemination of, information 	<p>FLEGT</p> <p>FLEGT, IFM, MFPCs</p> <p>IFM, MFPCs</p> <p>IFM, APRM Kenya</p> <p>Indicator based initiatives</p> <p>EITI</p> <p>CCBA/Care, APRM Kenya, IFM</p>
Appropriate accountability	<p>In the context of REDD+, operational considerations to enable the monitoring of appropriate accountability include:</p> <ul style="list-style-type: none"> • Establish institutions to facilitate multi-stakeholder participation • Collect data/opinions from broad-based sources as well as expert opinion • Develop capacity both within and outside REDD+ institutions to facilitate accountability, with particular attention given to enabling the vulnerable groups highlighted above • Develop appropriate peer review mechanisms 	<p>CLGAs, CCBA/Care, IFM Nicaragua, MFPCs</p> <p>Indicator based initiatives</p> <p>WRI GFI, GW TRC, IFM, CLGAs</p> <p>FLEGT, IFM</p>

	<ul style="list-style-type: none"> • Establish conflict-resolution/complaints mechanisms at national and international levels • Establish independent and consistent financing for monitors • Adapt or develop ethical codes of conduct 	<p>EITI, FLEGT</p> <p>FLEGT, IFM, MFPCs, Guinea low-tech monitoring</p>
Effectiveness (including cost-effectiveness)	<p>In the context of REDD+, operational considerations to enable the monitoring of effectiveness (including cost-effectiveness) include:</p> <ul style="list-style-type: none"> • Avoid waste through fraud or corruption with effective auditing • Enforcement monitoring should be 'intelligence-led' • Systematic information gathering should build on existing data sets wherever possible • Data gathering should be based on complementary national and international concepts and needs • Incorporate feedback loops, including on the level of knowledge by different stakeholder groups 	<p>FLEGT, IFM</p> <p>TI anti-corruption monitoring tool, IFM FAO/World Bank</p> <p>FLEGT</p>

Monitoring mechanisms

3.7 The next section will consider potential mechanisms to be included in a national monitoring system for REDD+ governance. It should however be pointed out from the outset that governance monitoring systems should be embedded in existing institutional structures as much as possible, in order to ensure appropriate domestic accountability and cost-effectiveness. Similarly, while governance monitoring is the sole focus of this Guidance, it is understood to be integrated within wider REDD+ monitoring systems encompassing all aspects related to REDD+ implementation: carbon, governance, environmental benefits and social benefits.

3.8 To be effective and comprehensive in their coverage of governance issues, monitoring systems should incorporate several different monitoring mechanisms. Building on best practice, it is possible to identify three monitoring mechanisms of particular relevance to REDD+ governance:

- Periodic governance assessment
- Third party / independent monitoring
- Audit and reconciliation

3.9 When looking at the functions performed by each of the monitoring mechanisms, it is useful to consider the establishment of a monitoring system in two stages. A preliminary diagnostic stage will help assess existing governance structures and identify needs for reform. This will set a benchmark on which monitoring mechanisms will base themselves during the implementation stage,

i.e. once the monitoring system is fully in place. Monitoring mechanisms will conduct different activities in the diagnostic and implementation stages.

3.10 Best practice of governance monitoring recognises that the assessment performed during the diagnostic stage should not be a one-off. Rather, periodic governance assessments should be carried out to demonstrate progress and facilitate iterative improvements. In the context of REDD+ governance, periodic assessments would support the improvement of REDD+ strategies over time and demonstrate “performance” for payments.

Institutions undertaking periodic assessments could usefully draw on the following tools and precedents: CCBA Standards, WRI Governance of Forests Initiative, FLEGT VPA preparatory/negotiation phase, World Bank FAO Initiative on Indicators of Good Forest Governance, UN-REDD Participatory Governance Assessments.

3.11 In addition to periodic governance assessments, a monitoring system will require active monitoring of policy compliance, law enforcement and judicial function in relation to REDD+ activities. Precedents indicate that third-party / independent monitoring is a necessary element of legality verification in the timber and forest product sector. In the context REDD+ governance, third-party / independent monitoring would provide reassurances against risks of illegality and non-compliance.

Institutions performing third-party / independent monitoring could usefully draw on the following relevant tools and precedents: IFM/IO, FLEGT Guidelines for Independent Monitoring.

3.12 A monitoring system will also include an independent audit and verification of both REDD+ payments to governments and revenues received by governments as a result of REDD+ activities. Past experience in the natural resources sector demonstrate that an audit should include reconciliation, i.e. a process through which an institution will verify that reports of payments made and revenues received agree. Reconciliation also implies a detailed follow-up and verification of discrepancies which emerge in the reported data. In the context of REDD+, audit and reconciliation would enable the transparency and accountability of payments and revenues.

Institutions performing audit and reconciliation could usefully draw on the following relevant tools and precedents: EITI rules.

3.13 Table 3 lists the activities that each mechanism would perform in accordance with the operational considerations outlined above, distinguishing between the preliminary diagnostic stage and the stage when the monitoring system will be in full implementation.

Table 3: Operational considerations applied

	Diagnostic	Implementation
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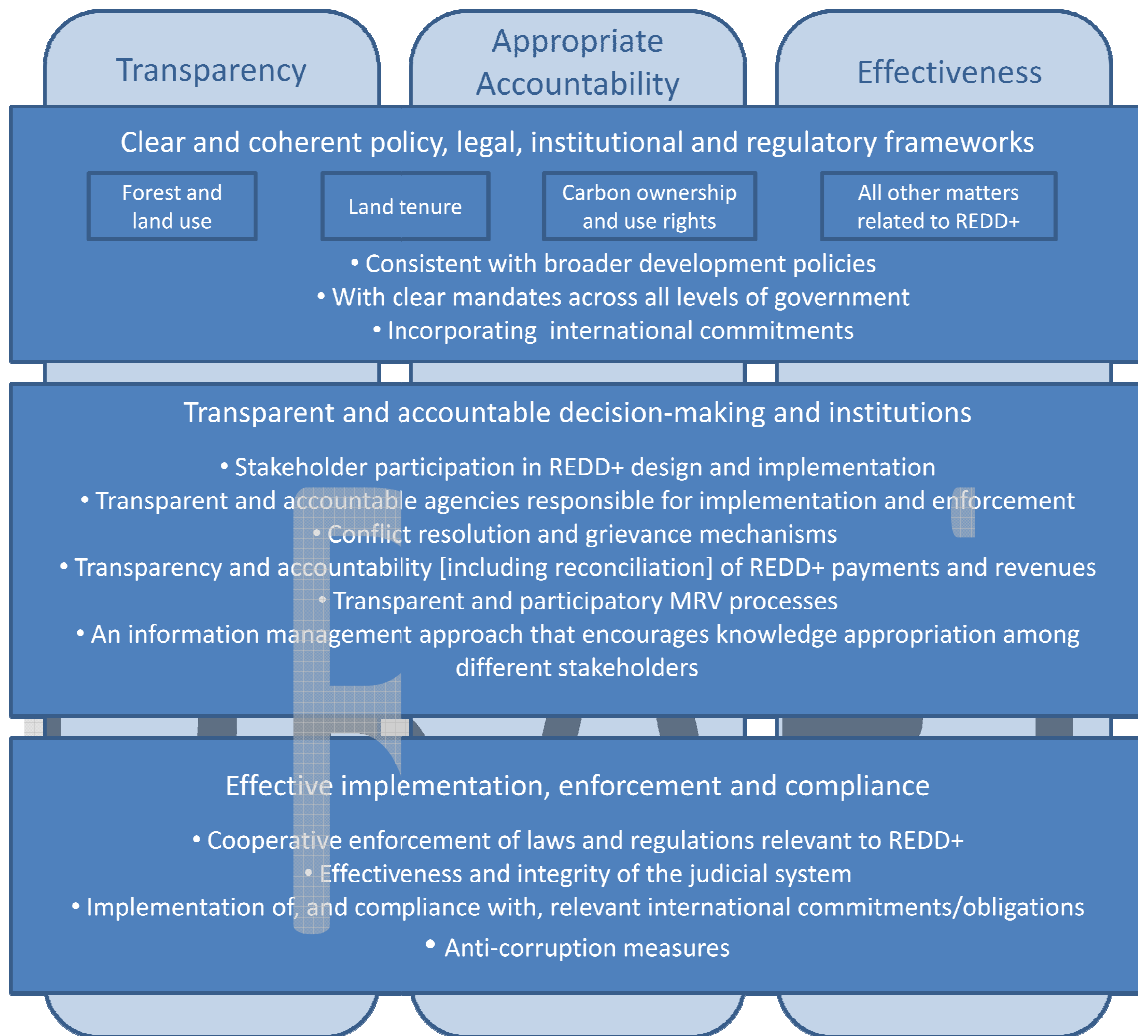
<p>In accordance with the operational considerations outlined above, the institution conducting the periodic governance assessment would:</p>	<p>Publish a clear, coherent, stakeholder-endorsed policy framework for REDD+ activities and safeguards</p> <p>Identify and publish nationally-appropriate indicators reflecting social and environmental risks/priorities/standards</p> <p>Establish, verify/peer review and publish baseline data</p> <p>Consult widely to identify opportunities for governance reform</p>	<p>Review the implementation / enforcement impacts of the policy framework for REDD+ activities and safeguards on a regular basis</p> <p>Report to the relevant policy-setting and implementing institutions</p> <p>Publish assessment results and ensure dissemination to all relevant stakeholders</p> <p>Consider reports from independent monitors</p>
<p>In accordance with the operational considerations outlined above, the institution conducting the third party / independent monitoring would:</p>	<p>Establish benchmarks for measuring implementation and enforcement</p> <p>Determine capacity building needs in enforcement agencies</p> <p>Design a system for facilitating low tech monitoring networks and channels for participatory monitoring engaging indigenous and local communities, and civil society</p> <p>Undertake risk profiling to facilitate 'intelligence-led' priority setting</p>	<p>Perform intelligence-led monitoring, incorporating broad-based, low-tech information gathering</p> <p>Report to the relevant enforcing agencies and to other monitoring institutions</p> <p>Publish monitoring results, after peer review and endorsement by government and stakeholders</p>
<p>In accordance with the operational considerations outlined above, the institution conducting the audit and reconciliation would:</p>	<p>Publish all REDD+ payments and revenues to a wide audience in a publicly accessible, comprehensive and comprehensible manner</p>	<p>Publish all REDD+ payments and revenues on a regular basis</p> <p>Conduct the independent audit and verification, applying international auditing standards</p> <p>Reconcile REDD+ payments and revenues and verify potential discrepancies</p> <p>Report to the relevant financial agencies and to other monitoring institutions</p>

4. Conclusion

4.1 This Guidance provides a first overview of elements to consider in relation to the monitoring of REDD+ governance. No paper of this length can hope to cover comprehensively the potential range of issues that might arise in developing a national monitoring system in this regard. These, however, should emerge from a robust on-going multi-stakeholder process using this Guidance to frame discussions on what to monitor in a specific national context and how to monitor it.

4.2 As a final synthesis of the governance monitoring issues identified, Table 4 below offers a summary integrated overview of the main elements of the Guidance Framework presented here. This might be suitable both to frame initial discussions or as a final check list of key points to address.

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Table 4: Key Elements of the Guidance Framework on Monitoring REDD+ Governance

About the Guidance

This Guidance Framework was prepared by UN-REDD and Chatham House and is published under their respective authorities. It draws on multi-stakeholder inputs made at meetings convened in London [24-25 May] and Rome [18-19 November] 2010. UN -REDD and Chatham House would like to express their deep appreciation to the following people who contributed invaluable suggestions towards the development of this Guidance.

(List names A,B, C, D etc.)

While these contributors broadly share the objectives and approach of the Guidance, the final responsibility for content, including any errors and omissions, is entirely that of UN-REDD and Chatham House alone.

The Guidance has been developed with the intention of being revised and improved over time, based on experience. For this reason, it is described as a 'consultation draft'. Suggestions for improvement are welcome and can be sent to ...

Further Reading

To be confirmed.

DRAFT

- **Attachment A**

The advance unedited version of decision X/CP.16 (Outcome of the Work of the Ad Hoc Working Group on Long-Term Cooperative Action under the Convention)

Extracts relevant to REDD+

“C. Policy approaches and positive incentives on issues relating to reducing emissions from deforestation and forest degradation in developing countries; and the role of conservation, sustainable management of forests and enhancement of forest carbon stocks in developing countries

Affirming that, in the context of the provision of adequate and predictable support to developing country Parties, Parties should collectively aim to slow, halt and reverse forest cover and carbon loss, according to national circumstances, consistent with the ultimate objective of the Convention, as stated in Article 2,

Also affirming the need to promote broad country participation in all phases described in paragraph 73 below, including through the provision of support that takes into account existing capacities,

68. *Encourages* all Parties to find effective ways to reduce the human pressure on forests that results in greenhouse gas emissions, including actions to address drivers of deforestation;

69. *Affirms* that the implementation of the activities referred to in paragraph 70 below should be carried out in accordance with annex I to this decision, and that the safeguards referred to in paragraph 2 of annex I to this decision should be promoted and supported;

70. *Encourages* developing country Parties to contribute to mitigation actions in the forest sector by undertaking the following activities, as deemed appropriate by each Party and in accordance with their respective capabilities and national circumstances:

- (a) Reducing emissions from deforestation;
- (b) Reducing emissions from forest degradation;
- (c) Conservation of forest carbon stocks;
- (d) Sustainable management of forest;
- (e) Enhancement of forest carbon stocks;

71. Requests developing country Parties aiming to undertake activities referred to in paragraph 70 above, in the context of the provision of adequate and predictable support, including financial

resources and technical and technological support to developing country Parties, in accordance with national circumstances and respective capabilities, to develop the following elements:

(a) A national strategy or action plan;

(b) A national forest reference emission level and/or forest reference level or, if appropriate, as an interim measure, subnational forest reference emission levels and/or forest reference levels, in accordance with national circumstances, and with provisions contained in decision 4/CP.15, and with any further elaboration of those provisions adopted by the Conference of the Parties;

(c) A robust and transparent national forest monitoring system for the monitoring and reporting of the activities referred to in paragraph 70 above, with, if appropriate, subnational monitoring and reporting as an interim measure, in accordance with national circumstances, and with the provisions contained in decision 4/CP.15, and with any further elaboration of those provisions agreed by the Conference of the Parties;

(d) A system for providing information on how the safeguards referred to in annex I to this decision are being addressed and respected throughout the implementation of the activities referred to in paragraph 70, while respecting sovereignty;

72. Also requests developing country Parties, when developing and implementing their national strategies or action plans, to address, inter alia, drivers of deforestation and forest degradation, land tenure issues, forest governance issues, gender considerations and the safeguards identified in paragraph 2 of annex I to this decision, ensuring the full and effective participation of relevant stakeholders, inter alia, indigenous peoples and local communities;

73. Decides that the activities undertaken by Parties referred to in paragraph 70 above should be implemented in phases beginning with the development of national strategies or action plans, policies and measures, and capacity-building, followed by the implementation of national policies and measures and national strategies or action plans that could involve further capacity-building, technology development and transfer and results-based demonstration activities, and evolving into results-based actions that should be fully measured, reported and verified;

74. Recognizes that the implementation of the activities referred to in paragraph 70 above, including the choice of a starting phase as referred to in paragraph 73 above, depends on the specific national circumstances, capacities and capabilities of each developing country Party and the level of support received;

75. Requests the Subsidiary Body for Scientific and Technological Advice to develop a work programme on the matters referred to in annex II to this decision;

76. Urges Parties, in particular developed country Parties, to support, through multilateral and bilateral channels, the development of national strategies or action plans, policies and measures and

capacity-building, followed by the implementation of national policies and measures, and national strategies or action plans, that could involve further capacity building, technology development and transfer and results-based demonstration activities including consideration of the safeguards referred to in paragraph 2 of annex I to this decision, taking into account the relevant provisions on finance including those relating to reporting on support;

77. Requests the Ad Hoc Working Group on Long-term Cooperative Action under the Convention to explore financing options for the full implementation of the results-based actions⁸ referred to in paragraph 73 above, and to report on progress made, including any recommendations for draft decisions on this matter, to the Conference of the Parties at its seventeenth session;

78. Also requests Parties to ensure coordination of the activities referred to in paragraph 70 above, including of the related support, particularly at the national level;

79. Invites relevant international organizations and stakeholders to contribute to the activities referred to in paragraphs 70 and 78 above.”

“Annex I

Guidance and safeguards for policy approaches and positive incentives on issues relating to reducing emissions from deforestation and forest degradation in developing countries; and the role of conservation, sustainable management of forests and enhancement of forest carbon stocks in developing countries

1. Activities referred to in paragraph 70 of this decision should:

- (a) Contribute to the achievement of the objective set out in Article 2 of the Convention;
- (b) Contribute to the fulfillment of the commitments set out in Article 4, paragraph 3, of the Convention;
- (c) Be country-driven and be considered options available to Parties;
- (d) Be consistent with the objective of environmental integrity and take into account the multiple functions of forests and other ecosystems;
- (e) Be undertaken in accordance with national development priorities, objectives and circumstances and capabilities and should respect sovereignty;
- (f) Be consistent with Parties' national sustainable development needs and goals;
- (g) Be implemented in the context of sustainable development and reducing poverty, while responding to climate change;

- (h) Be consistent with the adaptation needs of the country;
- (i) Be supported by adequate and predictable financial and technology support, including support for capacity-building;
- (j) Be results-based;
- (k) Promote sustainable management of forests;

2. When undertaking activities referred to in paragraph 70 of this decision, the following safeguards should be promoted and supported:

- (a) Actions complement or are consistent with the objectives of national forest programmes and relevant international conventions and agreements;
- (b) Transparent and effective national forest governance structures, taking into account national legislation and sovereignty;
- (c) Respect for the knowledge and rights of indigenous peoples and members of local communities, by taking into account relevant international obligations, national circumstances and laws, and noting that the United Nations General Assembly has adopted the United Nations Declaration on the Rights of Indigenous Peoples;
- (d) The full and effective participation of relevant stakeholders, in particular, indigenous peoples and local communities, in actions referred to in paragraphs 70 and 72 of this decision;
- (e) Actions are consistent with the conservation of natural forests and biological diversity, ensuring that actions referred to in paragraph 70 of this decision are not used for the conversion of natural forests, but are instead used to incentivize the protection and conservation of natural forests and their ecosystem services, and to enhance other social and environmental benefits;
- (f) Actions to address the risks of reversals;
- (g) Actions to reduce displacement of emissions.”

- **Attachment B**

List of relevant initiatives

(more information will be provided on each of the initiatives in the final draft)

Initiatives Developing Comprehensive Governance Indicators

- The Governance of Forests Initiative (WRI, Imazon and Instituto Centro de Vida)
- Analytical framework for governance reforms (World Bank)
- Initiative on indicators for good forest governance (FAO & World Bank, under development)
-

Initiatives addressing specific governance issues

- EU FLEGT Voluntary Partnership Agreements: Legality Assurance for Timber through national standard-setting and independent monitoring and verification
- Independent Forest Monitoring (IFM)
- Measuring the Response to Illegal Logging: Indicators of Progress (Chatham House)
- Making the Forest Sector Transparent: Annual Transparency Report Cards (Global Witness)
- Forest Governance Integrity Programme (Transparency International)
- Multi-sectoral forest protection committees: enforcing forest law and tackling illegal logging in the Philippines
-

Initiatives addressing governance for multi-sectoral REDD+ activities

- Participatory Governance Assessments for REDD+ (UN-REDD Programme, under development)
- Social & Environmental Principles (UN-REDD Programme, under development)
- Social Principles Risk Identification & Mitigation Tool (UN-REDD Programme, under development)
- REDD+ Social and Environmental Standards (CCBA and CARE International)
- Independent Monitoring of REDD+ (Global Witness)

Relevant non-forest initiatives

- The Extractive Industries Transparency Initiative
- Low tech enforcement and financial transfers
- African peer review mechanism and Kenya case study